

This record is a partial extract of the original cable. The full text of the original cable is not available.

UNCLAS OTTAWA 000398

SIPDIS

STATE FOR IO/T AND EB/TPP/ABT/ATP
DEPT PASS HHS (STEIGER)
DEPT PASS USTR (JENNIFER PRESCOTT)
GENEVA FOR HOMAN AND USTR

E.O.12958: N/A

TAGS: [TBIO](#) [ETRD](#) [CA](#) [WHO](#)

SUBJECT: DEMARCHE ON FRAMEWORK CONVENTION ON TOBACCO CONTROL
(FCTC): CANADIAN VIEWS

REF: STATE 035558

1. As requested in reftel, Embassy passed U.S. views on upcoming negotiation of the FCTC in Geneva to officials in Health Canada, the Department of Foreign Affairs and International Trade (DFAIT) and Agriculture Canada.

2. EST Counselor followed up with Ed Aiston, Director General, International Affairs Directorate at Health Canada for Canadian views on the negotiations. Aiston indicated that the GOC's views were very similar to those of the U.S., particularly with regard to the relationship between trade and domestic health regimes. He said that Canada had proposed the deletion of references in previous texts to "trade and health," and was pleased to see that the Chairman's text reflected their proposal. Aiston noted that Canada could support reference to "non-discrimination" in trade as a "fall-back" position, but wanted to ensure that trade and domestic health regimes were treated separately in the FCTC. Given the lack of specific subsidies to Canadian tobacco growers, proposals for the treatment of production subsidies is of less concern to the GOC.

3. Aiston, who will lead the Canadian delegation to the negotiating session in Geneva later this month, asked that the Embassy alert Washington agencies to some of the concerns that the GOC has in the Chairman's text. The most important concern is with the "conditionality" on tax policy. The GOC would like a stronger statement on sovereign rights of governments to establish their own tax policies.

4. Also of concern in the Chairman's text is the issue of duty-free sales. The GOC would like to see the duty-free issue treated in a separate article that clearly states that duty-free sales refer to sales to individuals, and not bulk sales. Finally, the Canadian delegation will propose a separate article for "sharing of information on the rates of taxation.